W. Scott Randolph
Director - Regulatory Matters

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October 6, 2000

Ms. Magalie R. Salas
Secretary
Federal Communications Commission
445 Twelfth Street, S.W.
Washington, DC 20554

Ex Parte: **Deployment of Wireline Services Offering Advanced Telecommunications Capability – CC Docket No. 98-147**

Application of Verizon New England, Inc. for Authorization Under Section 271 of the Communications Act to Provide In-Region, InterLATA Service in the State of Massachusetts – CC Docket No. 00-176

Dear Ms. Salas,

At the request of the of the staff of the Common Carrier Bureau, on Thursday, October 5, 2000, representatives of Verizon met with staff members from the Office of Engineering and Technology, Office of Plans and Policy and the Common Carrier Bureau. The purpose of the meeting was to discuss the line sharing obligations of incumbent local exchange carriers when a line is equipped with digital loop carrier. Attached is a list of the attendees as well as a copy of the materials used in the meeting.

Pursuant to Section 1.1206(a)(1) of the Commission's rules, an original and one copy of this letter are being submitted to the Office of the Secretary. Please associate this notification with the record in the proceedings indicated above. If you have any questions regarding this matter, please call me at (202) 463-5293.

Sincerely,

W. Scott Randolph
Director - Regulatory Matters

October 5, 2000 *Ex Parte* – CC Dockets No. 98-147 and 00-176

List of Attendees

Common Carrier Bureau
Michelle Carey
Glen Reynolds
Jodie Donovan-May
Margaret Egler
Christopher Libertelli
Kathy Farroba
Eric Einhorn
Jessica Rosenworcel
John Stanley
Tony Dale
Bill Dever

Office of Engineering and Technology
Shanti Gupta
Jerry Stanshine

Office of Plans and Policy
Donald Stockdale

Verizon
Charlie Kiederer
John White
Mike Nawrocki
Mike Conniff
Donna Epps
Karen Zacharia
Augie Trinchese
Scott Randolph

verizon

An Analysis of Incumbent Carrier's Line Sharing Obligations When a Line Is Equipped With Digital Loop Carrier.

I. The Commission's Line Sharing Order.

A. The Commission has required incumbents to provide competing carriers with access to customers served by DLC by unbundling the high frequency portion of the local loop even where the customer is served by DLC. *See Order* at ¶ 91.

B. However, the Commission recognized that xDSL technology is incompatible with DLC systems and indicated that "requesting carriers are functionally precluded from deploying xDSL services where incumbent carriers have deployed DLC systems unless the requesting carrier [could] otherwise obtain access to the customer's *copper* loop *before* the traffic is multiplexed at the incumbent's remote terminal. *See id.* at ¶ 90.

C. This is consistent with the Commission's definition of the high frequency spectrum network element as the "frequency range above the voiceband on a *copper* loop facility." Id. at 26 Therefore, the Order requires that when DLC electronics are on the line, the incumbent must unbundle the copper portion of the loop.

D. The Commission confirmed this interpretation by appropriately focusing on its subloop unbundling rules as a means of providing competing carriers with access to customers served by DLC. *See id.* at 92.

II. Verizon's Line Sharing and Subloop Offerings Provide Competing Carriers Seeking to Engage in Line Sharing With Access To Customer's Served by DLC.

A. Verizon's Line Sharing offering allows competing carriers to place their data signal on the same copper loop as Verizon's voice signal from the customer's premises to the remote terminal.

B. Verizon's Subloop Unbundling offering permits competing carriers to collocate their DSLAM at the remote terminal and to access their data signal before it reaches the DLC equipment.

C. Competing carriers have two options for transporting their packetized data signal from their remotely collocated DSLAM to the central office. Competing carriers seeking to serve customers served by DLC can also request a line and station transfer.

III. It is Inaccurate to Imply That Voice and Data Signals Occupy a Common Transmission Path in A Line Sharing Arrangement Between the Remote Terminal and the Central Office When DLC Is On the Line.

A. The DLC electronics deployed in Verizon's network can not sample the line's high frequencies where DSL signals reside.

B. The transmission path utilized by DLC-converted voice signals lacks the capacity to support packetized data at xDSL's high-speed rates.

C. The transmission path utilized by DLC-converted voice signals terminates at a voice switch instead of an ATM.

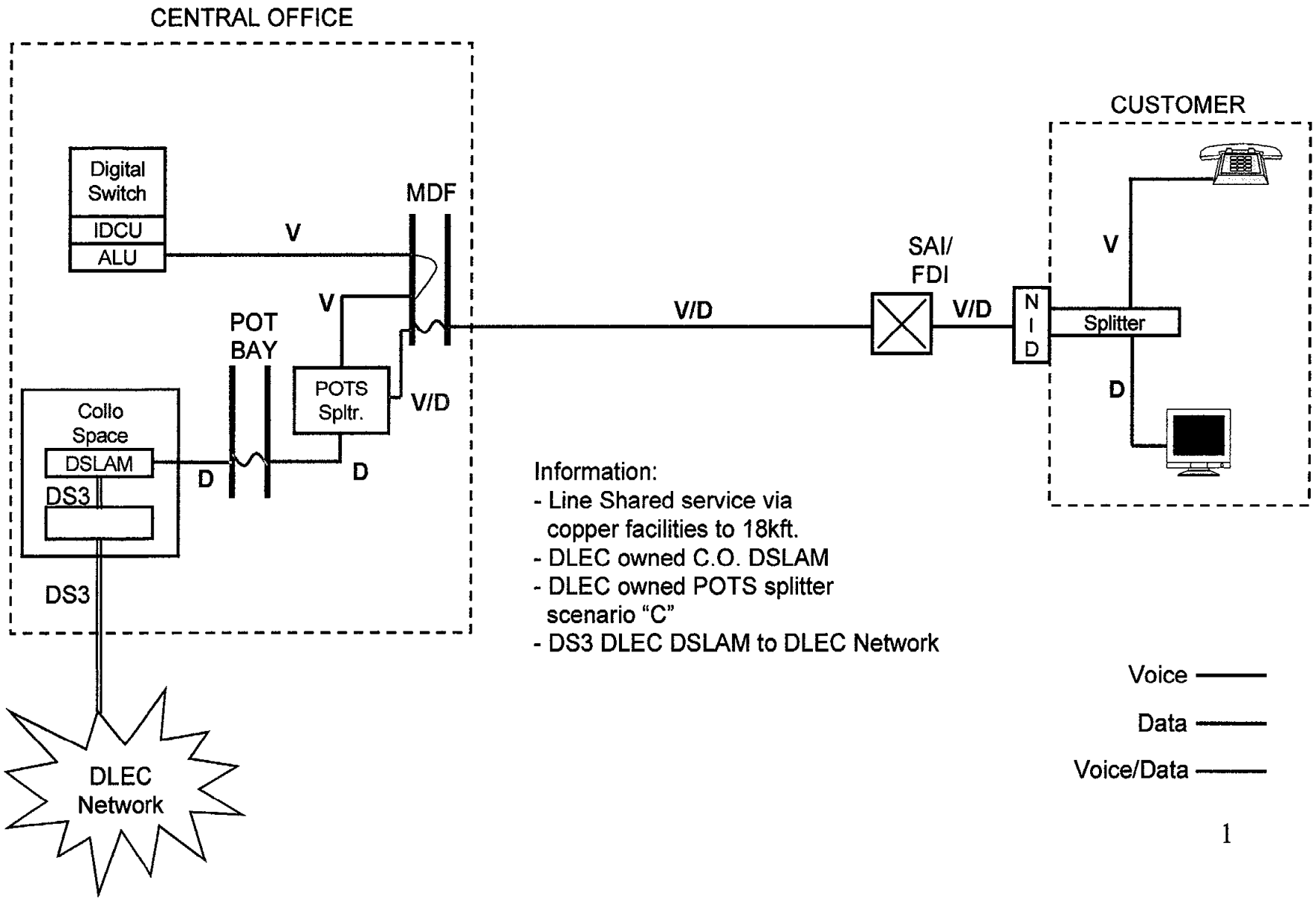
D. Given the incompatibility of existing DLC systems in Verizon's network and xDSL signals, an alternative architecture that moves the DSLAM capability to the remote terminal and provides a separate transmission path back to the central office is required.

IV. Even When an Incumbent Provides Competing Carriers With a Wholesale Packet Switching Service, the Voice and Data Signal Do Not Share the Same Transmission Path From the Remote Terminal to the Central Office.

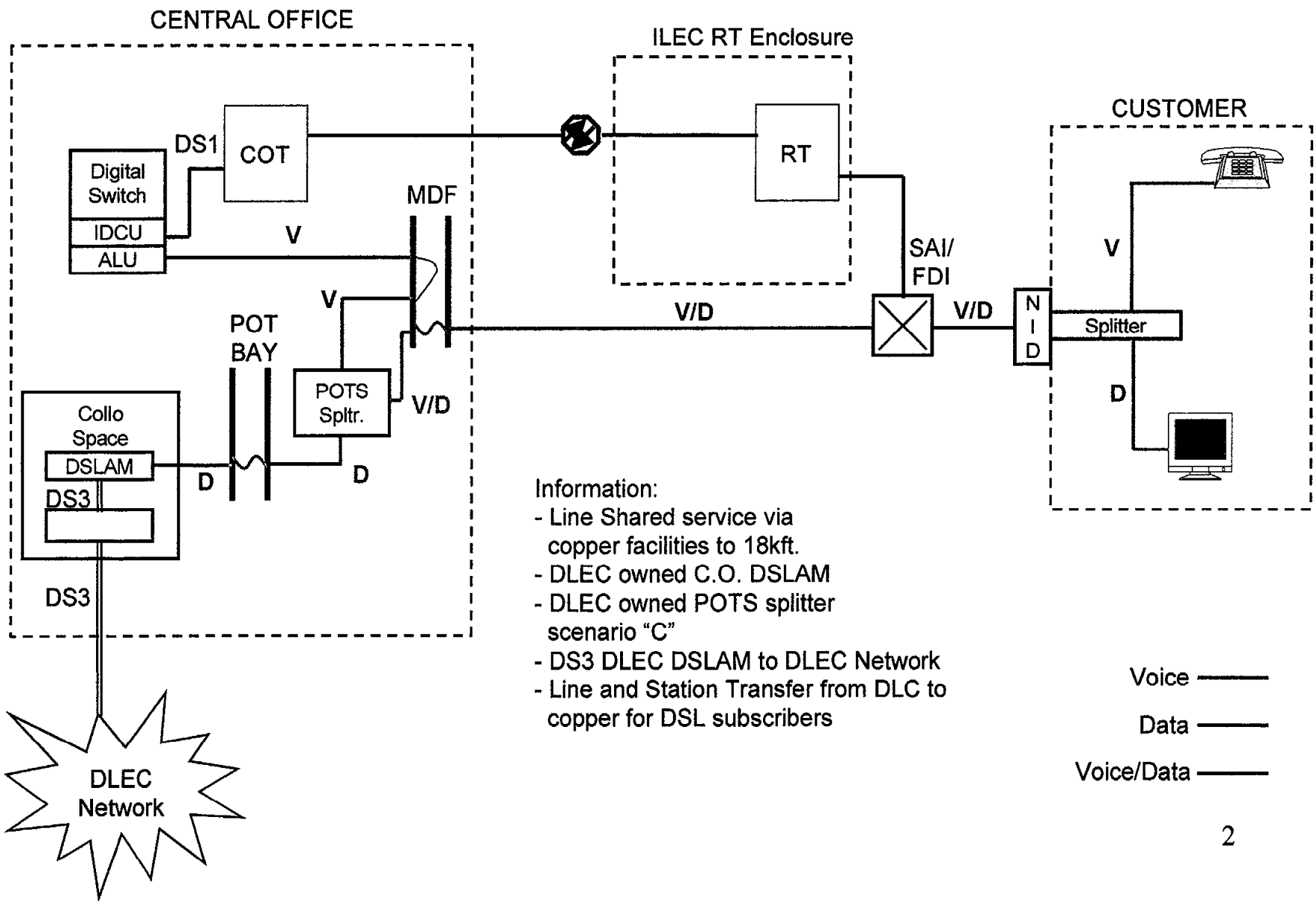
A. Under SBC's Project Pronto initiative, SBC will provide competing carriers with packet switching capability using suitably equipped Next Generation DLC equipment and ADSL Digital Line Unit Cards.

B. However, the even on the Project Pronto architecture, voice and data do not occupy the same transmission path from the remote terminal to the central office.

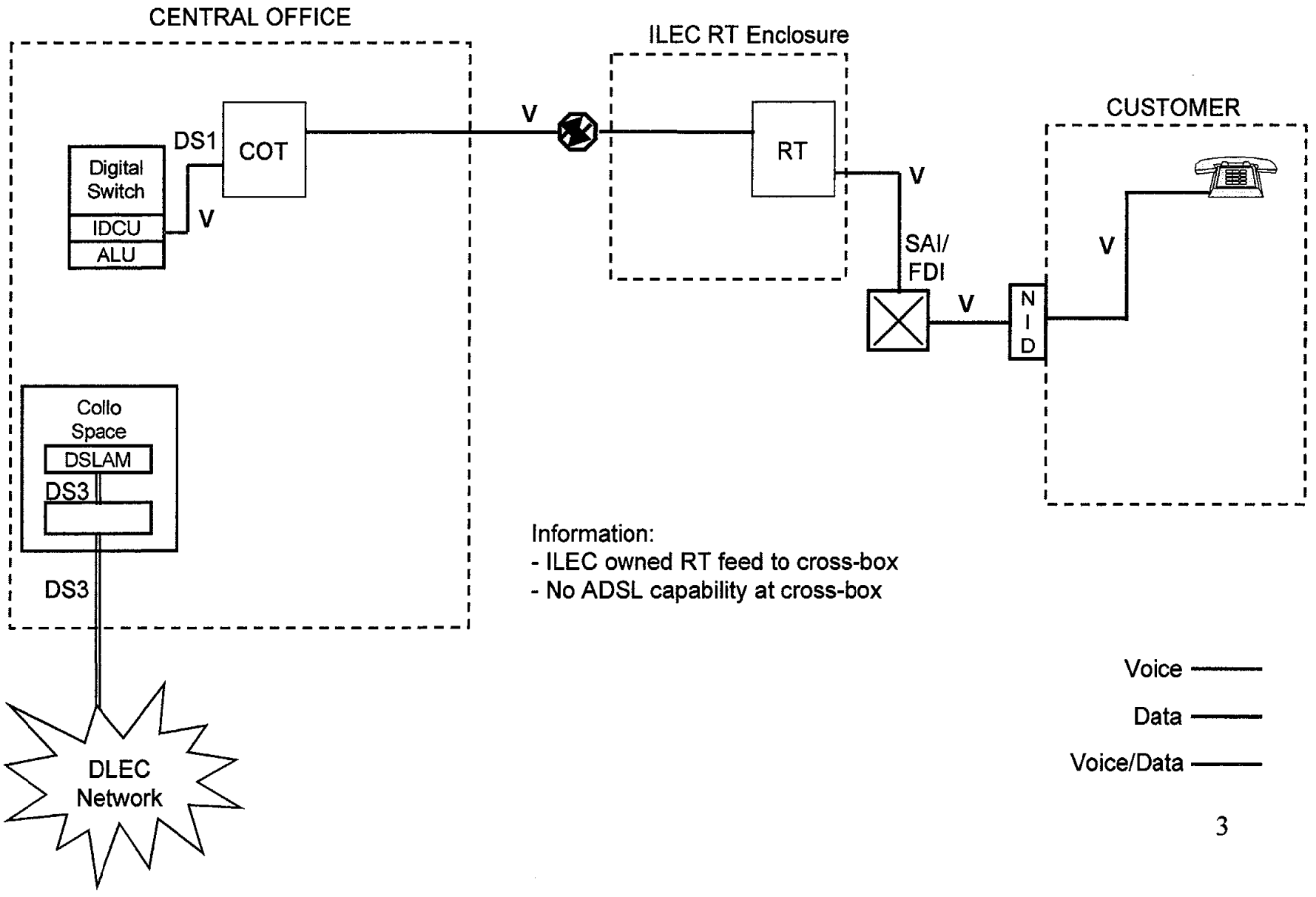
Copper fed Cross-box w/C.O. Line Sharing



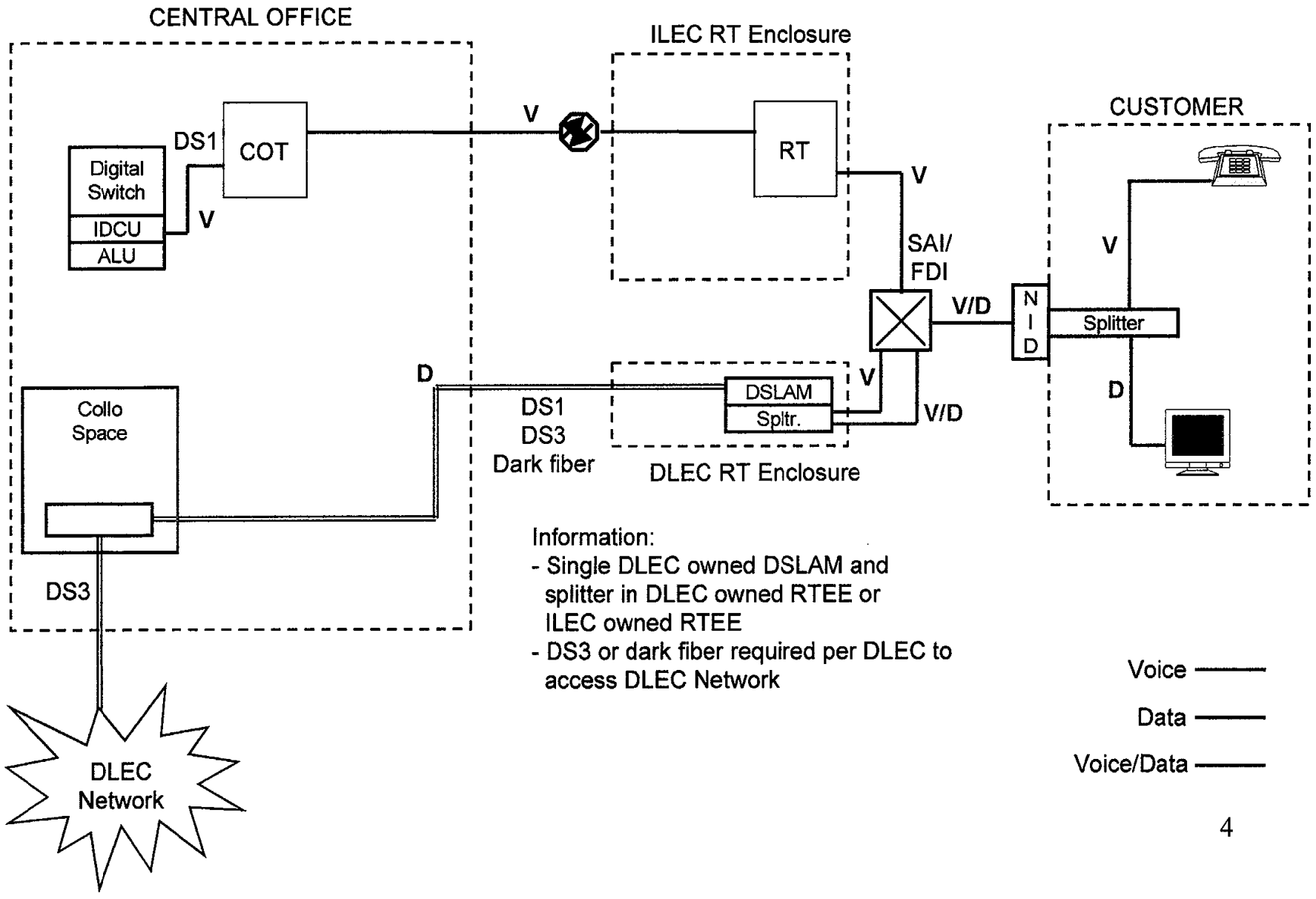
Copper & DLC fed Cross-box w/C.O. Line Sharing - Line & Station Transfer



DLC fed Cross-box



DLC fed Cross-box w/R.T. Line Sharing



DLC w/ADSL fed Cross-box for Line Sharing